

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 1768 - HB 1965

February 20, 2018

SUMMARY OF BILL: Requires the Department of Safety (DOS) to provide a photo identification license free of charge to any person whose driver's license is revoked or suspended upon surrender of driver license or proof of surrender.

ESTIMATED FISCAL IMPACT:

Decrease State Revenue – \$135,000/Department of Safety
Forgone State Revenue – \$240,000/Department of Safety

Increase State Expenditures – \$143,300/General Fund

Assumptions:

- Pursuant to Tenn. Code Ann. § 55-50-336(g)(1), the DOS is required to issue photo identification card free of charge if a person signs an affidavit stating the person: does not have a valid government issued photo identification; is a registered voter in this state; and needs the photo identification for voting purposes.
- The proposed legislation would authorize the DOS to issue a photo identification card free of charge to any person whose driver's license is revoked or suspended upon surrender of driver license or proof of surrender.
- Based on information provided by the DOS, there are approximately 345,000 licenses suspended or revoked annually.
- The current fee for each identification card is \$12.00.
- Based on information from the DOS, at least 45,000 drivers surrender their license annually and obtain a photo identification license.
- Based on Secretary of State election statistics and United States Census Bureau data, approximately 80 percent of Tennesseans 18 years of age or older are registered to vote and considered active.
- The precise number of these drivers who obtained a photo identification free of charge for voting purposes is unknown but is reasonably estimated to be 75 percent, leaving 25 percent of these drivers required to pay the \$12.00 fee.
- There will be a recurring decrease in state revenue to the DOS estimated to exceed \$135,000 (45,000 x 25% x \$12.00 fee).
- There is a \$75.00 fee for failure to surrender your driver license in order to obtain a photo identification license.

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- This legislation only requires a photo identification license to be issued to those drivers who surrendered their license; therefore, there is no impact on state revenue to the DOS for those drivers who fail to surrender their license and pay a penalty in order to obtain a photo identification license.
- The precise number of drivers who will surrender their driver license and obtain a free photo identification license as a result of this legislation and who are not eligible to receive a free photo identification for voting purposes under current law is unknown, but reasonably estimated to exceed 20,000 annually.
- This will result in recurring forgone state revenue to the DOS estimated to exceed \$240,000 (20,000 x \$12.00).
- Based on the information provided by the DOS, the third-party vendor has associated no cost to updating the driver's license system.
- The proposed legislation will require four additional driver license examiners statewide to process the additional workload.
- The starting annual salary for a driver's license examiner position is estimated to be \$24,780, with benefits of approximately \$11,038.
- The recurring increase in expenditures for DOS to hire four positions is estimated to be \$143,272 [(\$24,780 salary + \$11,038) x 4].

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

/rbp